

COURT FILE NUMBER 1703 12327
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT
ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF CANADA
NORTH GROUP INC., CANADA NORTH CAMPS INC., CAMPCORP
STRUCTURES LTD., D.J. CATERING LTD., 816956 ALBERTA LTD.,
1371047 ALBERTA LTD. and 1919209 ALBERTA LTD.

APPLICANTS CANADA NORTH GROUP INC., CANADA NORTH CAMPS INC.,
CAMPCORP STRUCTURES LTD., D.J. CATERING LTD., 816956
ALBERTA LTD., 1371047 ALBERTA LTD. and 1919209 ALBERTA LTD.

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT
Stephanie A. Wanke
DLA Piper (Canada) LLP
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File No. 37060-00001

NOTICE TO RESPONDENTS

This application is made against you. You are a respondent. You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as shown below:

Date: October 4, 2017
Time: 11:00 a.m.
Where: Edmonton Law Courts
1A Sir Winston Churchill Square
Edmonton, AB T5J 0R2
Before Whom: The Honourable Justice K.G. Nielsen

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order substantially in the form attached hereto as Schedule "A":
 - a. Discharging the R.e.I group inc. ("**REL**") as Chief Restructuring Officer (the "**CRO**");

- b. Expanding the powers and duties of Ernst & Young Inc., as Monitor (the "**Monitor**"); and
- c. Approving the amendment of the Debtor-In-Possession Financing granted by Business Development Bank of Canada ("**BDC**") (the "**DIP Amendment**").

Grounds for making this application:

- 2. The CRO has fulfilled its initial mandate in these proceedings. Transitioning its remaining duties to the Monitor and the Applicants are expected to reduce duplication and provide for more efficient, cost-effective and collaborative proceedings moving forward.
- 3. The Monitor and BDC support the Applicants' request to seek a discharge of the CRO at this time.
- 4. The DIP Amendment provides for reasonable reporting to BDC of the Investment and Sales Solicitation Process and extends the term of the DIP financing to be consistent with the Second Extension Order granted in these proceedings.

Material or evidence to be relied on:

- 1. Fifth Affidavit of Shayne McCracken sworn October 2, 2017 filed;
- 2. The Third Report of the Monitor dated October 2, 2017;
- 3. Such further and other materials as counsel may advise and this Honourable Court permits.

Applicable rules:

- 4. *Alberta Rules of Court* AR 124/2010, including Rules 1.2, 1.4, 6.1, 6.2 and 11.27.

Applicable Acts and regulations:

- 5. *Judicature Act*, RSA 2000 c. J-2 , as amended;
- 6. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 including ss 11 and 23(k).
- 7. Such further other provisions and statutes as counsel may advise.

Any irregularity complained of or objection relied on:

- 8. Abridgement of time for service, as required.

How the application is proposed to be heard or considered:

- 9. Before a Justice on the Commercial List

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

Schedule "A"

Clerk's Stamp

COURT FILE NUMBER

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF CANADA NORTH GROUP INC., CANADA NORTH CAMPS INC., CAMPCORP STRUCTURES LTD., D.J. CATERING LTD., 816956 ALBERTA LTD. and 1371047 ALBERTA LTD.

DOCUMENT

ORDER

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DLA Piper (Canada) LLP
1201 Scotia Tower 2
10060 Jasper Avenue
Edmonton AB T5J 4E5
T 780.429.6822
F 780.702.4379

DATE ON WHICH ORDER WAS PRONOUNCED:

October 4, 2017

NAME OF JUDGE WHO MADE THIS ORDER:

The Honourable Justice K.G. Nielsen

LOCATION OF HEARING:

Edmonton, Alberta

UPON the application of Canada North Camps Inc., D.J. Catering Ltd., Campcorp Structures Ltd., Canada North Group Inc., 816956 Alberta Ltd., 1371047 Alberta Ltd. and 1919209 Alberta Ltd. (the "**Applicants**"); **AND UPON** having read the Fifth Affidavit of Shayne McCracken sworn October 2, 2017, filed, and the Third Report of Ernst & Young Inc., the Monitor (the "**Monitor**"), filed October 2, 2017; **AND UPON** hearing from counsel for the Applicants, counsel for Business Development Bank of Canada and counsel for the Monitor, **AND UPON** noting that this Court granted an Initial Order in these proceeding on July 5, 2017 (the "**Initial Order**"), **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order is hereby abridged to the time actually given.

DUTIES OF THE MONITOR

2. The Monitor, in addition to its prescribed rights and obligations under the CCAA and in addition to the rights and obligations set out in paragraph 24 of the Initial Order, is hereby directed and empowered to:
 - (a) advise and assist the Applicants, as needed, with respect to the overall restructuring of the Applicants;
 - (b) evaluate potential restructuring, sale, refinancing and capitalization alternatives that may be available to the Applicants;
 - (c) assist the Applicants, as necessary, with respect to the marketing and sale of any assets or parts of the business of the Applicants;
 - (d) assist the Applicants in negotiating and implementing potential refinancing and capitalization alternatives; and
 - (e) assist the Applicants as necessary, in negotiations and discussions with third parties, including creditors, suppliers, customers and other stakeholders, in respect of the restructuring;

CHIEF RESTRUCTURING OFFICER

3. R.e.I. group inc., (“REL”) is hereby discharged as Chief Restructuring Officer (the “CRO”).
4. REL shall continue to have the benefit of the protections set out in the Initial Order for the CRO, including that:
 - (a) REL shall not be considered an officer or director of the Applicants, as those terms are used in the *Business Corporation Act* (Alberta), and shall only have the obligations and liabilities as expressly set out in the orders of the Court in this proceeding;
 - (b) REL shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of the orders in these proceedings, save and except for any gross negligence or wilful misconduct on its part.
5. Nothing in this Order shall derogate from the protections afforded REL by the CCAA or any applicable legislation.
6. The discharge of REL is without prejudice to the ability of the Applicants or the Monitor to make further application to the Court with respect to incidental duties as may be required from the REL in connection with their discharge as CRO.

INTERIM FINANCING

7. The Applicants' execution of the Letter Agreement dated September 28, 2017 and attached as Schedule “A” to the Affidavit of Shayne McCracken sworn on October 2, 2017 amending the

Letter of Offer from Business Development Bank of Canada dated July 21, 2017 (the "**Amending Agreement**") is hereby authorized and the Applicants are authorized to perform the obligations pursuant to the Amending Agreement.

Justice of the Court of Queen's Bench of Alberta